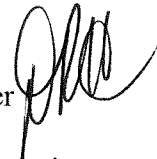




City of Loma Linda Official Report

Floyd Petersen, Mayor
Karen Hansberger, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: September 23, 2003
TO: City Council
FROM: Dennis R. Halloway, City Manager 
SUBJECT: Statewide ballot initiative protecting city revenue

RECOMMENDATION

It is recommended that the City Council approve a Resolution supporting a statewide ballot initiative requiring voter approval before the State Government may take local tax funds.

BACKGROUND

Every year for the past several years when the State budget is out of balance, the State has seen fit to raid cities treasuries to make up for their own shortfalls. The League of Cities General Assembly has endorsed the initiative and has asked its members to also support the initiative. This is the first positive step taken uphill battle to protect local revenues.

ANALYSIS

None

ENVIRONMENTAL

Not Required

FINANCIAL IMPACT

Unknown at this time.

AGENDA ITEM 9

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA,
SUPPORTING A STATEWIDE BALLOT INITIATIVE TO REQUIRE VOTER
APPROVAL BEFORE STATE GOVERNMENT MAY TAKE LOCAL TAX
FUNDS

WHEREAS, state government currently seizes over \$800 million in city property tax funds (ERAF) statewide, seriously reducing resources available for local public safety and other services; and

WHEREAS, in adopting the state budget this year the Legislature and Governor appropriated local vehicle license fee backfill and redevelopment property tax funds that are needed to finance critical city services such as public safety, parks, street maintenance, housing and economic development; and

WHEREAS, the state budget also relies on a deficit bond financing program that is predicated on a local property and sales tax swap that leaves city services vulnerable to future losses if the state's economic condition fails to improve; and

WHEREAS, the adopted budget assumes the state will continue to face an ongoing structural budget deficit of at least \$8 billion, putting local government financial resources at risk in future years; and

WHEREAS, it is abundantly clear that the state will continue to use local tax funds to balance the state budget unless the voters limit the power of the legislature and governor to do so; and

WHEREAS, the voters of California are the best judges of whether local tax funds should be diverted, confiscated, shifted or otherwise taken by the legislature to finance an ever expanding state government; and

WHEREAS, the General Assembly of Voting Delegates of the League of California Cities at its September 10 2003 meeting voted to sponsor a statewide ballot initiative to empower the voters to limit the ability of state government to confiscate local tax funds to fund state government; and

WHEREAS, the League has requested that cities offer support for a November 2004 ballot initiative that will allow voters to decide whether state government may appropriate local tax funds to fund state government operations and responsibilities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOMA LINDA that the City hereby expresses its strong support for a statewide ballot initiative to allow voters to decide whether local tax funds may be taken, confiscated, shifted, diverted or otherwise used to fund state government operations and responsibilities; and

RESOLVED FURTHER, that the City Council and staff provide such educational materials on the possible impacts of such an initiative as may be lawfully provided by the city's representatives; and

RESOLVED FURTHER, that the residents of the City are encouraged to become well informed on the opportunities available to them through such an initiative to safeguard the critical local services on which they rely; and

RESOLVED FURTHER, that the City Clerk is hereby directed to send a copy to the Executive Director of the League of California Cities.

PASSED, APPROVED, AND ADOPTED this 23rd day of September 2003 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Floyd Petersen, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk